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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION

- - - - - x
In re: : Chapter 11
:
CIRCUIT CITY STORES, INC., : Case No. 08-35653 (KRH)
et al., :
:
Debtors. : Jointly Administered
- - - - - x

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105 FED. R.
BANKR. P. 9019 APPROVING AGREEMENT BETWEEN DEBTORS AND
VERIZON CORPORATE SERVICES GROUP, INC.**

Upon the motion (the "Motion") of the Debtors
for entry of an order, under section 105 of title 11 of
the United States Code (the "Bankruptcy Code") and Rule
9019 of the Federal Rules of Bankruptcy Procedure (the
"Bankruptcy Rules"), approving the Settlement Agreement

between Debtors and Verizon Corporate Services Group, Inc. ("Verizon") resolving certain disputes arising in connection with the Services Agreement between Verizon and Debtors dated May 1, 2008,¹ as set forth on Exhibit A attached hereto (the "Settlement Agreement"); and it appearing that the relief requested by the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and after due deliberation thereon; and sufficient cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:

A. The Court has jurisdiction over the matters raised in the Motion pursuant to 28 U.S.C. §§ 157 and 1334;

B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2) and venue in this district is proper under 28 U.S.C. §§ 1408 and 1409;

C. Proper and adequate notice of the Motion, the Settlement Agreement and the hearing thereon has been given, and no other or further notice is necessary; and,

D. Resolution of the disputes with Verizon with respect to payment of the Funds on the terms set

¹ Terms not otherwise defined herein shall have the meanings ascribed to them in the Settlement Agreement.

forth in the Settlement Agreement is a reasonable exercise of the Debtors' sound business judgment and is in the best interests of the Debtors, their estates, their creditors, and all parties in interest; and it is therefore

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is GRANTED and the Settlement Agreement is APPROVED.

2. The Services Agreement dated May 1, 2008 is terminated as of December 31, 2008.

3. The Debtors are authorized to execute any documents necessary or desirable to consummate the Settlement Agreement.

4. The Court shall retain exclusive jurisdiction to resolve any dispute arising from or relating to this Order and/or the Settlement Agreement.

5. Notwithstanding Bankruptcy Rules 6004(g) and 6006(d), this Order shall take effect immediately upon entry.

Dated: Richmond, Virginia
January __, 2009

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

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/s/ Douglas M. Foley
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Counsel to the Debtors
and Debtors in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

I hereby certify that proposed order has been
endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley